

NOT FOR PUBLICATION
UNTIL RELEASED BY THE HOUSE
SUBCOMMITTEE ON MILITARY CONSTRUCTION
VETERANS AFFAIRS, and RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS

STATEMENT OF

ADMIRAL JONATHAN GREENERT

CHIEF OF NAVAL OPERATIONS

BEFORE THE

SUBCOMMITTEE ON MILITARY CONSTRUCTION,
VETERANS AFFAIRS, AND RELATED AGENCIES

OF THE

COMMITTEE ON APPROPRIATIONS

1 MARCH 2012

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Chairman Culberson, Representative Bishop, and distinguished members of the committee, I am honored to appear before you to submit my first budget as Chief of Naval Operations. I appreciate this opportunity to testify about our Navy's shore infrastructure, which enables our operational and combat readiness and is essential to the quality of life of our more than 625,000 active and reserve Sailors and Civilians, as well as their families. Thanks to them and to your continued support, the Navy-Marine Corps team remains vital to our national security and economic prosperity. Operating globally at the front line of our nation's efforts in war and peace, our Fleet protects the interconnected systems of trade, information, and security that underpin our own economy and those of our friends and allies. Our Navy and Marine Corps are the first responders to international crises through combat operations or humanitarian assistance. And after U.S. ground forces have drawn down in the Middle East, the naval services will remain on watch with offshore options to deter aggression and—when necessary—fight and win on, over, and under the sea. Despite the economic and military challenges facing our nation, your Navy will evolve and adapt to fight and win our nation's wars, remain forward, and be ready. We will continue to provide the necessary shore infrastructure to support our Fleet operations, increase combat capabilities, ensure readiness and enable and support our Sailors, Navy Civilians and their families. I appreciate your continued support and look forward to working together in pursuing our national security objectives.

Our Navy today is global, operating forward from U.S. bases and international "places" around the world. From these "places" we continue to support and operate with allies and partners who face a range of challenges, from piracy and terrorism to aggressive neighbors and natural disasters. "Places," from Guantanamo Bay to Singapore, enable us to remain present or have access to the world's strategic maritime crossroads – areas where shipping lanes, energy resources, information networks and security interests intersect. On any given day over the last year, more than 50,000 Sailors were underway or deployed on 145 ships and submarines, 100 of them deployed overseas (see Figure 1). They were joined by more than 125 land-based patrol aircraft and helicopters, 1,000 information dominance personnel, and over 4,000 Naval Expeditionary Combat Command Sailors on the ground and in the littorals, building the ability of partners to protect their people, resources and territory.

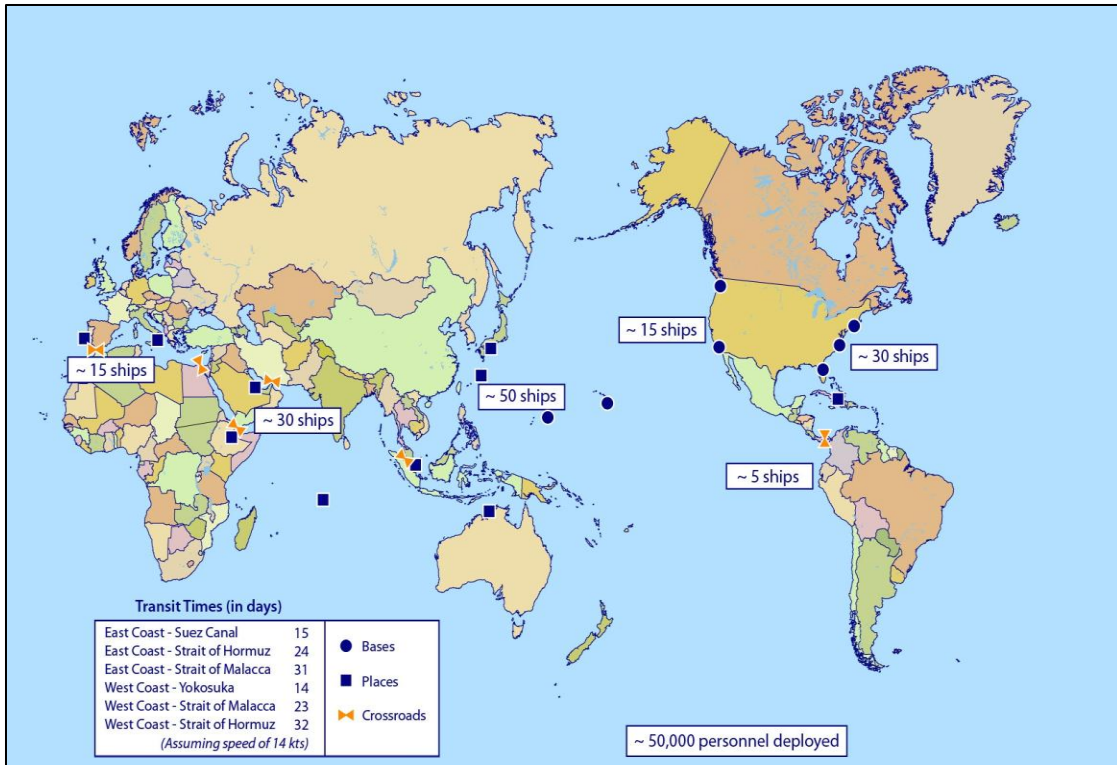


Figure 1

Establishing first principles

These are challenging and dynamic times for the U.S. military services and the U.S. national security enterprise. We need to remain focused on our enduring principles and contributions that hold true regardless of funding, force structure size or day-to-day world events. Upon taking office as Chief of Naval Operations, I established these first principles for Navy leaders to follow in my “Sailing Directions.”

I believe historical and current events demonstrate that the Navy is most effective and best able to support our national security objectives when Fleet leaders and Sailors are focused on three tenets:

- Warfighting first
- Operate forward
- Be ready

I incorporated these tenets into “Sailing Directions.” Similar to their nautical counterpart, my directions describe in general terms where the Navy needs to go in the next 10-15 years, and the approach we will take to get there. We applied “Sailing Directions” to the final decisions we

made in building our FY2013 budget submission and I believe they are consistent with the Defense Strategic Guidance that emerged from our collaborative efforts with the Chairman of the Joint Chiefs of Staff, the Secretary of Defense and the President. I am in the process of drafting a “Navigation Plan” to define our course and speed now that our defense strategy is established and our budget request submitted.

My guidance for the Navy and what we believe

We use these three tenets – Warfighting First, Operate Forward, and Be Ready – as “lenses” through which we view each decision.

Warfighting First. The Navy must be ready to fight and win today, while building the ability to win tomorrow. This is our primary mission and all our efforts from the “wardroom to the boardroom” must be grounded in this fundamental responsibility. Our FY2013 budget submission makes deliberate, targeted investments in facilities and programs ashore so our Sailors and their ships, aircraft and equipment can be forward where they are needed and ready for warfighting when they are needed.

Operating Forward. We provide the nation offshore options to deter, influence and win in an era of uncertainty. Our Navy is at its best when it is forward, assuring allies and building partnerships, deterring aggression without escalation, defusing threats without fanfare, and containing conflict without regional disruption. We keep the Fleet forward through a combination of rotational deployments from the United States, Forward Deployed Naval Forces (FDNF) in Japan, Guam and Italy, and forward stationing ships in places such as Bahrain or Diego Garcia. Our ability to operate forward depends on our U.S. bases and strategic partnerships overseas that provide “places” where the Navy-Marine Corps team can rest, repair, refuel and resupply. Our FY2013 budget submission supports several initiatives to establish our forward posture including placing FDNF destroyers in Rota, Spain, and forward stationing Littoral Combat Ships (LCS) in Singapore and Patrol Coastal ships (PC) in Bahrain. In the FDNF construct, the ships, crews and families all reside in the host nation. This is in contrast to forward stationing, where the ship’s families reside in the United States and the crew rotates to the ship’s overseas location for deployment. We will rely on both of these basing constructs and the “places” that support them to remain forward without increases to the Fleet’s size. I request

you support funding for these initiatives so our Navy-Marine Corps team can continue delivering the rapid response our nation requires of us.

Be Ready. We will harness the teamwork, talent and imagination of our diverse force to be ready to fight and responsibly use our resources. Ready Sailors and Civilians – personally and professionally – remain the source of the Navy’s warfighting capability. Our FY2013 budget submission supports our Navy families, provides training and maintenance facilities for Sailors, and enables the forward operations that are inherent to operational readiness.

PB13 shaped by three main priorities of the CNO

The Budget Control Act of 2011 placed new constraints on our budget, which required hard choices and prioritization to address. I applied our tenets to my three main priorities as we built our FY2013 budget submission to make these choices and support the new defense strategic guidance.

Priority 1: Remain ready to meet current challenges, today

The Navy’s shore infrastructure – both in the United States and overseas – keeps our fleet ready to deter aggression, respond to crises, and win our nation’s wars. Our U.S. and overseas facilities are critical to our ability to operate forward and our FY2013 budget submission emphasizes ship and air operations and family and Sailor readiness.

I remain committed to current Fleet operations through a combination of Base Operating Support (BOS) and Facilities Sustainment, Restoration, and Modernization (FSRM) funding. Within BOS, our FY2013 budget submission funds port and flight line operations, safety programs, public works, and facility upkeep. To maximize the impact of our BOS funding, we continue to pursue and realize more cost effective ways of providing base support functions.

Our FY 2013 budget submission increases FY13 FSRM funding by \$138 million compared to the level planned for FY2013 in PB12. We continue to target these investments toward facilities directly supporting operations, such as airfields, hangars, piers, and barracks. This includes our Naval Shipyards, an integral part of the Navy’s shore infrastructure and critical contributors to fleet readiness. We continue to sustain and recapitalize our shipyards within today’s fiscally constrained environment, with a focus on mission-critical facilities such as production shops, piers, wharves, and dry docks.

To maximize our support for warfighting readiness and capabilities, our FY2013 budget submission continues our FY2012 decision to not fully fund facilities sustainment overall. We minimized the impacts of this decision by fully funding sustainment of our flagship educational institutions, applying the majority of our increased FSRM funding toward restoration and modernization, and prioritizing projects at facilities with the lowest quality rating first. To support warfighting readiness, we complement our FSRM funding with military construction.

I remain committed to improving our readiness by reducing our dependence on vulnerable supplies of energy and maximizing our energy efficiency. To complement our efforts at operational energy efficiency at sea, our FY2013 budget submission continues Navy's investments in shore energy initiatives to increase our energy security, meet legal mandates and make progress toward Navy energy goals. We reduced our energy use ashore by more than 14 percent since 2003. We will continue to invest in energy-efficient building upgrades and cost-effective renewable systems; install advanced meters and energy management systems; procure alternative fuel vehicles; achieve sustainable building standards; and transform our energy culture and behavior for long-term sustainability.

Base Realignment and Closure (BRAC) helped us align our infrastructure with operational needs, enhance our Joint contributions, and reduce excess and underutilized infrastructure. We met our BRAC 2005 legal obligations by the statutory deadline and expect to complete the full relocation of Navy organizations from leased facilities in the National Capital Region to Department of Defense-owned space in spring 2012. Our FY2013 budget submission funds ongoing environmental restoration, caretaking, and property disposal at BRAC 2005 and prior-round BRAC installations.

I believe BRAC enables the Navy to prioritize readiness over capacity to meet today's challenges, a key tenet of the new defense strategic guidance. Consolidating facilities and divesting excess infrastructure allows us to reduce our footprint ashore and lower our sustainment requirements and total ownership costs. I fully support future BRAC rounds to improve alignment of our shore footprint with our force structure.

Priority 2: Build a relevant and capable future force

Our Navy will remain the world's preeminent maritime force and our infrastructure ashore is a critical component of our ability to operate forward. The future of our shore infrastructure is funded through our FY2013 MILCON budget submission, which focuses on:

- Enhancing our forward presence and support to Combatant Commanders overseas
- Supporting new mission and new system requirements including Aegis Ashore, the Broad Area Maritime Surveillance (BAMS) Unmanned Aircraft System, Littoral Combat Ship (LCS) and the new Ford-class carrier
- Ensuring Nuclear Weapons Security
- Supporting our Sailors, Civilians and their families through housing and quality of life projects

Our FY2013 MILCON budget submission requests \$1 billion for 30 projects, planning & design, and unspecified minor construction. We continue to benefit from lower construction prices and have reduced the overall cost of our projects to reflect current market conditions. To reduce the total ownership cost of sustaining and operating our infrastructure ashore, we continue to recapitalize and consolidate our existing facilities where possible instead of new construction.

Our Navy is at its best and is best able to support our national interests when it operates forward. Our FY2013 budget submission includes 14 overseas MILCON projects to improve the ability of our forces to remain forward by providing facilities where they can rest, repair, refuel and resupply. The new defense strategic guidance directs a rebalancing of U.S. focus toward the Pacific, reflected in our FY2013 budget submission with funding for barracks in Okinawa. The strategic guidance also states we will sustain our presence in the Middle East. Our FY2013 MILCON budget submission funds transient quarters and a dining facility in Bahrain to support our Sailors forward deployed on PCs, minesweepers, P-3 Orion aircraft and at our command, control and communications centers ashore. These facilities will help maintain those forces forward where they can deter Iranian aggression, cooperate with our Gulf partners, and support our ground troops in Afghanistan.

Djibouti is critical to our ongoing counter-terror and counter-piracy operations around the Horn of Africa, including the Gulf of Aden and Red Sea. Our FY2013 MILCON budget submission funds an operations center, containerized living and work units, and cold storage at

Camp Lemonier to improve Djibouti's ability to support our forces operating forward and conducting the missions needed by Combatant Commanders. In the Indian Ocean, our FY2013 MILCON budget submission funds infrastructure to support our operations in Diego Garcia, an important forward location where our guided missile submarines (SSGN) conduct their crew exchanges and our fleet receives voyage repair and logistic support.

In Europe, our move of four destroyers to an FDNF status in Rota, Spain exemplifies the tenet of operating forward. Our FY2013 MILCON budget submission includes essential facilities to support these forward deployed forces. Since it takes 5 ships to support each one on station, this investment also supports our sustained presence in the Middle East and increased focus on the Asia-Pacific by freeing up six destroyers which would otherwise be needed for rotational ballistic missile defense (BMD) deployments from the United States. Our FY2013 MILCON budget submission funds facilities for Aegis Ashore in Romania, a critical element of the European Phased Adaptive Approach that will eventually support European BMD from shore. Our FY2013 MILCON budget submission also funds aircraft aprons and ammunition and logistics support facilities in Souda Bay, Greece to allow the Naval Support Activity there to sustain our forces forward in the Eastern Mediterranean and Middle East.

Worldwide, our new BAMS unmanned surveillance system will greatly expand the reach and persistence of our surveillance systems. Our FY2013 MILCON budget submission includes investments to allow BAMS to be based at key locations overseas where, in cooperation with partners, it can monitor the strategic maritime crossroads.

Our FY2013 MILCON budget submission includes nine projects for operation, training, and maintenance of new platforms and systems being introduced to the fleet. Projects totaling about \$170 million support initial operations and training for BAMS, LCS, EA-18G *Growler* aircraft, MH-60S *Seahawk* helicopter, and the *Gerald R. Ford*-Class aircraft carrier. Our FY2013 Military Construction (MILCON) budget submission also includes almost \$50 million to construct training and testing facilities for new surface ship combat systems including future variants of the Aegis system.

We will always place the highest priority on the security of our nuclear weapons. Our FY2013 MILCON budget submission includes the second increment of funding for construction of a second Explosive Handling Wharf for our strategic weapons on the West Coast. This new

facility, located at Naval Base Kitsap in Bangor, Washington, will sustain our Trident D5 strategic weapons system in the Pacific and enhance critical nuclear weapons surety.

Priority 3: Enable and support our Sailors, Navy Civilians and their families

Today's active and reserve Sailors and Navy Civilians are the most highly trained, motivated and educated force we have ever employed. Our people are the source of our warfighting capability and our FY2013 budget submission continues the investments needed to ably lead, equip, train and motivate them. In particular, our submission emphasizes investments to ensure the family readiness of our Sailors and Civilians, to complement their professional readiness and the material readiness of their ships and aircraft.

Housing

Quality housing significantly impacts Sailor retention, productivity, and individual and mission readiness. We continue to make progress in our housing program and provide safe, affordable, and comfortable housing for our Sailors and their families.

We are pursuing a three-part housing strategy. First, we make every effort to house our Sailors in the local community. Second, absent adequate suitable community housing, we partner with the private sector to provide quality housing through Public/Private Ventures (PPV). Third, in those areas where community and PPV housing are insufficient we rely on MILCON funding to build bachelor and overseas family housing.

We are steadily improving the condition of our family housing units. I am committed to meeting the Secretary of Defense's goal of achieving an "adequate" rating on 90 percent of our family housing inventory and we are on track to do so by 2017. Our FY 2013 budget submission funds family housing construction, improvements, planning, and design in addition to operation and maintenance of our approximately 10,000 Navy-owned and 3,000 leased homes.

For unaccompanied Sailors, our top priority is providing accommodations by 2016 for each junior unaccompanied Sailor while his or her ship is in homeport as part of our "Homeport Ashore" program. Our FY2013 MILCON budget submission includes barracks construction at Naval Base Coronado as part of this program. Our next priority is to achieve an "adequate" rating for 90 percent of our barracks. Our FY2013 budget submission includes \$195 million of FSRM funding to improve the condition of these bachelor housing facilities worldwide.

Quality of Life and Sailor and Family Readiness programs

Our personnel programs deliver a high return on investment in the readiness of our Sailors and Civilians. Our FY2013 MILCON budget submission includes construction of a physical fitness facility at Naval Support Activity South Potomac and a dining facility at Naval Air Station Meridian to maximize the productivity of our Sailors. We fully funded programs to address operational stress, support families, prevent suicides, eliminate the use of synthetic drugs like Spice, and aggressively reduce the number of sexual assaults. I view each of these challenges as safety and readiness concerns that can be just as damaging to our warfighting capability as operational accidents and mishaps.

Our Fleet and Family Support Centers offer deployment support, relocation and transition assistance, personal financial management, life skills education, new parent support, family employment, sexual assault prevention and response (SAPR) services, and child/domestic abuse prevention and response services. Our FY2013 budget submission increases funding for spousal and post-deployment counseling and provides more case counselors and NCIS agents for SAPR. Our active ombudsmen program helps connect Sailors and their families with their commands and these support services.

Our wounded warriors remain a top priority. Our FY2013 budget submission fully funds programs that support the mental, emotional and financial well-being of our returning warriors and their families. Our Safe Harbor program has expanded and improved the scope of non-medical care to the wounded, ill or injured Sailors and established a Memorandum of Agreement with the Department of Veterans Affairs (VA) to assist enrollees in the transition from active duty to veterans care. In 2011, Navy completed the global implementation of the Integrated Disability Evaluation System (IDES), a joint DoD/VA program designed to eliminate the post-separation “benefit gap” for wounded, ill and injured service members. We referred over 5,800 Sailors and Marines into the IDES, and continue to reduce the time needed to complete the IDES process. We remain committed to providing all our Sailors and their families a comprehensive continuum of care that addresses medical, physical, and psychological concerns.

Child Development and Youth Programs

We continue to provide high-quality childcare and developmental youth programs for Navy children six weeks to 18 years of age. These programs foster family readiness by helping Navy families manage the competing demands of work and home. We operate all of our DoD-certified and nationally accredited programs in accordance with the Military Child Care Act. We recently expanded our childcare facilities by 7000 spaces, and will meet the Secretary of Defense's goal of providing for at least 80 percent of potential childcare needs by the end of this year.

Risk in Shore Infrastructure

In today's challenging environment, we must balance risk across the Navy to provide the most readiness and capability within our fiscal constraints. As a result, our FY2013 budget submission carefully accepts risk in certain areas of our shore readiness. We will continue to closely monitor the health of our shore facilities and adjust our sustainment models to ensure we efficiently employ our shore infrastructure.

Conclusion

Thank you for your continued support of our Navy's shore readiness programs and your commitment to our Sailors, Navy Civilians, and their families. Supported by our shore infrastructure, the United States Navy will continue to be critical to our nation's security and prosperity by assuring access to the global commons and being at the front line of our nation's efforts in war and peace. I assure the Congress, the American people, and those who would seek to do our nation harm that we will focus on warfighting, operating forward, and being ready.